

## Client Alert: GAFI Temporarily Permits Virtual Attendance of General Assembly Meetings

By **Laila Rizk**

*On 18<sup>th</sup> March 2020, Egypt's General Authority for Investment and Free Zones ("GAFI") issued Decree No. 160, which temporarily allows the virtual attendance of board of directors/managers, ordinary, and extraordinary general assembly meetings.*

### Virtual Attendance Now Permitted

The COVID-19 pandemic has caused many countries to implement precautionary measures to prevent and control community outbreaks, including imposing restrictions on international travel. With many such restrictions now in place, GAFI, as Egypt's companies' regulator, issued Decree No. 160 on 18<sup>th</sup> March 2020 (the "**Decree**"), temporarily permitting attendance of corporate meetings through modern audio or visual communication systems.

The Decree applies to companies regulated under the Companies Law No. 159/1981 and the Investment Law No. 72/2017. It is without prejudice to the procedures set out by the Financial Regulatory Authority ("**FRA**"), which should be observed by FRA-regulated companies.

As per the Decree, virtual attendance shall be deemed valid for meetings of the board of directors/managers, and ordinary and extraordinary general assembly. The relevant companies shall implement everything necessary to ensure that each board's members, managers, shareholders, or partners, as the case may be, are able to vote on the relevant agenda items. Companies must also record virtual meetings onto a CD, which will be provided to GAFI to prove the relevant parties' attendance.

Companies that have invited their partners or shareholders to attend ordinary or extraordinary general assembly meetings, but could not convene in the location specified in the invitation, may notify the shareholders or partners of a new location. Alternatively, they may hold the meeting by allowing the relevant parties to attend virtually.

It is worth noting that the Decree is intended to be temporary and may be revoked by another GAFI decree.

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**If you would like more information about this topic, please contact us.**

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